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FM AMEMBASSY PANAMA
TO RUEHC/SECSTATE WASHDC PRIORITY 7239
INFO RUEHZA/WHA CENTRAL AMERICAN COLLECTIVE PRIORITY
RUEHBO/AMEMBASSY BOGOTA PRIORITY 2132
RUEHBR/AMEMBASSY BRASILIA PRIORITY 0262
RUEHCV/AMEMBASSY CARACAS PRIORITY 0920
RUEHLP/AMEMBASSY LA PAZ JAN 0209
RUEHPE/AMEMBASSY LIMA PRIORITY 0594
RUEHSG/AMEMBASSY SANTIAGO PRIORITY 0177
RUEAIIA/CIA WASHDC PRIORITY
RUCPDOC/DEPT OF COMMERCE WASHDC PRIORITY
RUEATRS/DEPT OF TREASURY WASH DC PRIORITY
RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L PANAMA 000147

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DEPT FOR WHA/CEN - SCHIFFER
ALSO FOR WHA/EPSC - URS AND GUMBINER
ALSO FOR EB/TPP/BTA - LAMPRON
STATE PASS USTR - SCHWAB, CROWDER, AND MALITO
ALSO PASS USDA/FAS/ITP - SPITZER
USDOC/MAC FOR GAISFORD

E.O. 12958: DECL: 01/24/2016

TAGS: EAGR ECON ETRD PREL PGOV PM

SUBJECT: VP/FORMIN ON EVO MORALES AND U.S.-PANAMA FTA MOOD

REF: PANAMA 0127

Classified By: Ambassador William A. Eaton for
Reasons 1.5(b and d)

(C) Just back from attending Evo Morales' presidential inauguration in Bolivia, First Vice President and Foreign Minister Samuel Lewis Navarro opined to the Ambassador on January 23 that Morales had delivered a "fairly moderate" inaugural address. Lewis hoped this signaled Morales' desire to "open a bridge of dialog" to the U.S. Lewis also said that during President Torrijos' swing through Chile and Bolivia, the GOP discussed its free trade prospects in a series of meetings other counterparts. He said the GOP sees the window of opportunity for its bilateral FTA with the U.S. closing rapidly. Noting that some within the GOP see a fading of USG will to close the deal, Lewis wondered aloud if "perhaps it's time postpone the FTA." (As reported reftel, old-guard PRD party members, including some in Torrijos' cabinet, want to put the FTA on ice - perhaps permanently - and put the Panama Canal expansion effort to the front of the GOP's agenda.) Lewis complained that, absent a strong political will in Washington to overcome obstacles to the FTA, the FTA will languish. Ambassador responded that the political will exists in Washington to conclude the agreement, but the remaining issues are substantive, not political.

EATON